CERTIFICATION OF COMPLIANCE AGREEMENT BETWEEN THE OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND NORTH MISSISSIPPI MEDICAL CENTER, INC.

I. Preamble

North Mississippi Medical Center, Inc. (NMMC) hereby enters into this Certification of Compliance Agreement (CCA) with the Office of Inspector General (OIG) of the United States Department of Health and Human Services (HHS). Contemporaneously with this CCA, NMMC is entering into a Settlement Agreement with the United States, and this CCA is incorporated by reference into the Settlement Agreement.

The effective date of this CCA shall be the date on which the final signatory of this CCA executes this CCA (Effective Date). Each one-year period, beginning with the one-year period following the Effective Date, shall be referred to as a "Reporting Period."

II. Integrity Requirements

NMMC shall, for a period of three years from the Effective Date of this CCA:

A. Continued Implementation of Compliance Program. NMMC shall continue to implement its Compliance Program, as described in the attached Declaration (which is incorporated by reference as Appendix A), and continue to provide, at a minimum, the same level of resources currently provided, throughout this time period. NMMC may amend its Compliance Program as it deems necessary, so long as those amendments are consistent with the overall objective of ensuring compliance with the requirements of Medicare, Medicaid, and all other Federal health care programs, as defined in 42 U.S.C. § 1320a-7b(f).

B. Reporting of Overpayments. NMMC shall promptly refund to the appropriate Federal health care program payor any identified Overpayment(s). For purposes of this Agreement, an "Overpayment" shall mean the amount of money NMMC has received in excess of the amount due and payable under any Federal health care program requirements. If, at any time, NMMC identifies or learns of any Overpayment, NMMC shall notify the payor (e.g., Medicare fiscal intermediary or carrier) within 30 days after identification of the Overpayment and take remedial steps within 60 days after identification (or such additional time as may be agreed to by the payor) to correct the problem, including preventing the underlying problem and the Overpayment from recurring. Also, within 30 days after identification of the Overpayment, NMMC shall repay the Overpayment to the appropriate payor to the extent such Overpayment has been

quantified. If not yet quantified, within 30 days after identification, NMMC shall notify the payor of its efforts to quantify the Overpayment amount along with a schedule of when such work is expected to be completed. Notification and repayment to the payor shall be done in accordance with the payor's policies, and for Medicare contractors, shall include the information contained on the Overpayment Refund Form, provided as Appendix B to this CCA. Notwithstanding the above, notification and repayment of any Overpayment amount that is routinely reconciled or adjusted pursuant to policies and procedures established by the payor should be handled in accordance with such policies and procedures.

C. Reportable Events. NMMC shall report to OIG in writing within 30 days after making a determination (after a reasonable opportunity to conduct an appropriate review or investigation of the allegations) that there is a Reportable Event, which shall mean anything that involves: (1) a substantial Overpayment, or (2) a matter that a reasonable person would consider a probable violation of criminal, civil, or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized. A Reportable Event may be the result of an isolated event or series of occurrences. In such report, NMMC shall include the following information:

1. If the Reportable Event results in an Overpayment, the report to OIG shall be made at the same time as the notification to the payor required in Section II.B, and shall include all of the information on the Overpayment Refund Form, as well as:

    a. the payor's name, address, and contact person to whom the Overpayment was sent; and

    b. the date of the check and identification number (or electronic transaction number) by which the Overpayment was repaid/refunded;

2. a complete description of the Reportable Event, including the relevant facts, persons involved, and legal and Federal health care program authorities implicated;

3. a description of NMMC's actions taken to correct the Reportable Event; and

4. any further steps NMMC plans to take to address the Reportable Event and prevent it from recurring.

D. Notification of Government Investigation or Legal Proceedings. Within 30 days after discovery, NMMC shall notify OIG, in writing, of any ongoing investigation or legal proceeding known to NMMC conducted or brought by a governmental entity or its

agents involving an allegation that NMMC has committed a crime or has engaged in fraudulent activities. This notification shall include a description of the allegation, the identity of the investigating or prosecuting agency, and the status of such investigation or legal proceeding. NMMC shall also provide written notice to OIG within 30 days after the resolution of the matter, and shall provide OIG with a description of the findings and/or results of the investigation or proceedings, if any.

E. Annual Reporting Requirements. NMMC shall submit to OIG annually a report that sets forth the following information for each Reporting Period (Annual Report):

1. A description of any material amendments to its Compliance Program and the reasons for such changes;
2. Any changes to the level of resources dedicated to its Compliance Program and the reasons for such changes;
3. A summary of all internal or external reviews, audits, or analyses of its Compliance Program (including, at a minimum, the objective of the review, audit, or analysis; the protocol or methodology for the review, audit, or analysis; and the results of the review, audit, or analysis) and any corrective action plans developed in response to such reviews, audits, or analyses;
4. A summary of all internal or external reviews, audits, or analyses related to billing for evaluation and management services rendered in the emergency department (including, at a minimum, the objective of the review, audit, or analysis; the protocol or methodology for the review, audit, or analysis; and the results of the review, audit, or analysis) and any corrective action plans developed in response to such reviews, audits, or analyses;
5. A report of the aggregate Overpayments that have been returned to the Federal health care programs. Overpayment amounts shall be broken down into the following categories: inpatient Medicare, outpatient Medicare, Medicaid (report each state separately, if applicable), and other Federal health care programs. Overpayment amounts that are routinely reconciled or adjusted pursuant to policies and procedures established by the payor do not need to be included in this aggregate Overpayment report; and
6. A certification by the Compliance Officer that, (a) during the Reporting Period, NMMC has complied with the requirements of this Section II; and (b) he or she has reviewed the Annual Report and has made reasonable inquiry regarding its content and believes that the information in the Annual Report is accurate and truthful.

The first Annual Report shall be received by OIG no later than 60 days after the end of the first Reporting Period. Subsequent Annual Reports shall be received by OIG no later than the anniversary date of the due date of the first Annual Report.

F. Notifications and Submission of Annual Reports. Unless otherwise specified in writing after the Effective Date, all notifications and Annual Reports required under this CCA shall be submitted to the following addresses:

OIG:

Administrative and Civil Remedies Branch
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services
Cohen Building, Room 5527
330 Independence Avenue, S.W.
Washington, DC 20201
Telephone: (202) 619-2078
Facsimile: (202) 205-0604

NMMC:

General Counsel
North Mississippi Medical Center, Inc.
830 South Gloster Street
Tupelo, MS 38801
Telephone: (662) 377-3000
Facsimile: (662) 377-3990

Unless otherwise specified, all notifications and reports required by this CCA may be made by certified mail, overnight mail, hand delivery, or other means, provided that there is proof that such report or notification was received. For purposes of this requirement, internal facsimile confirmation sheets do not constitute proof of receipt.

G. OIG Inspection, Audit, and Review Rights. In addition to any other rights OIG may have by statute, regulation, or contract, OIG or its duly authorized representative(s) may examine or request copies of NMMC's books, records, and other documents and supporting materials and/or conduct on-site reviews of any of NMMC's locations for the purpose of verifying and evaluating: (a) NMMC's compliance with the terms of this CCA, and (b) NMMC's compliance with the requirements of the Federal health care programs in which it participates. The documentation described above shall be made available by NMMC to OIG or its duly authorized representative(s) at all reasonable times for inspection, audit, or reproduction.

Furthermore, for purposes of this provision, OIG or its duly authorized representative(s) may interview any of NMMC's employees, contractors, or agents who consent to be interviewed at the individual's place of business during normal business

hours or at such other place and time as may be mutually agreed upon between the individual and OIG. NMMC shall assist OIG or its duly authorized representative(s) in contacting and arranging interviews with such individuals upon OIG's request. NMMC's employees may elect to be interviewed with or without a representative of NMMC present.

Nothing in this CCA, or any communication or report made pursuant to this CCA, shall constitute a waiver by NMMC of NMMC's attorney-client, attorney work product or other privilege. The existence of any such privilege shall not excuse NMMC's obligations to comply with provisions of this CCA, e.g., by providing all documents necessary to determine whether NMMC is in compliance with the terms of this CCA.

H. Document and Record Retention. NMMC shall maintain for inspection all documents and records relating to reimbursement from the Federal health care programs, or to compliance with this CCA, for four years (or longer if otherwise required by law).

I. Disclosure. Consistent with HHS's Freedom of Information Act (FOIA) procedures, set forth in 45 C.F.R. Part 5, OIG shall make a reasonable effort to notify NMMC prior to any release by the OIG of information submitted by NMMC pursuant to its obligations under this CCA and identified upon submission by NMMC as trade secrets, or information that is commercial or financial and privileged or confidential, under the FOIA rules. With respect to such releases, NMMC shall have those rights set forth at 45 C.F.R. § 5.65(d). NMMC shall refrain from identifying any information as exempt from release if that information does not reasonably meet the criteria for exemption from disclosure under FOIA.

III. Breach and Default Provisions

NMMC is expected to fully and timely comply with all of the Integrity Requirements set forth in this CCA.

A. Stipulated Penalties for Failure to Comply with Certain Obligations. As a contractual remedy, NMMC and OIG hereby agree that failure to comply with the Integrity Requirements set forth in this CCA may lead to the imposition of the following monetary penalties (hereinafter referred to as "Stipulated Penalties") in accordance with the following provisions.

1. A Stipulated Penalty of $2,500 (which shall begin to accrue on the day after the date the obligation became due) for each day NMMC fails to establish and implement any of the following compliance program elements as described in the Declaration attached to this CCA as Appendix A:

a. a Compliance Officer;

b. a Compliance Committee;

c. a written Code of Conduct;

d. written Policies and Procedures;

e. the annual training of officers, directors, and employees;

f. an internal audit department that performs periodic reviews to monitor NMMC's compliance with Federal health care program requirements; and

g. a Disclosure Program.

2. A Stipulated Penalty of $2,500 (which shall begin to accrue on the day after the date the obligation became due) for each day NMMC fails to meet any deadlines for the submission of Annual Reports to OIG as described in Section II.E.

3. A Stipulated Penalty of $2,500 (which shall begin to accrue on the date the failure to comply began) for each day NMMC has as an owner, officer, or director, an excluded individual, or for each day NMMC employs, contracts with, or has as an agent, or grants staff privileges to, an excluded individual and that person: (a) has responsibility for, or involvement with, NMMC's business operations related to the Federal health care programs; or (b) is in a position for which the person's salary or the items or services furnished, ordered, or prescribed by the person are paid in whole or part, directly or indirectly, by Federal health care programs or otherwise with Federal funds (if the excluded individual is a physician with staff privileges at NMMC, then the Stipulated Penalty shall accrue for each day that the excluded individual furnished, ordered, or prescribed any items or services at NMMC that were payable in whole or in part by any Federal health care program). The Stipulated Penalty described in this Subsection shall not be demanded for any time period during which NMMC can demonstrate that it did not discover the person's exclusion or other ineligibility after making a reasonable inquiry (as described in Paragraph 7 of the Declaration) as to the status of the person).

4. A Stipulated Penalty of $1,500 for each day NMMC fails to grant access to the information or documentation as required in Section II.G of this CCA. (This Stipulated Penalty shall begin to accrue on the date NMMC fails to grant access.)

5. A Stipulated Penalty of $5,000 for each false certification submitted by or on behalf of NMMC as part of its Annual Reports or otherwise required by this CCA.

6. A Stipulated Penalty of $1,000 for each day NMMC fails to comply fully and adequately with any Integrity Requirements of this CCA. OIG shall provide notice to NMMC, stating the specific grounds for its determination that NMMC has failed to comply fully and adequately with the Integrity Requirement(s) at issue and steps NMMC shall take to comply with the Integrity Requirements of this CCA. (This Stipulated Penalty shall begin to accrue 10 days after NMMC receives notice from OIG of the failure to comply.) A Stipulated Penalty as described in this Subsection shall not be demanded for any violation for which OIG has sought a Stipulated Penalty under Subsections 1-5 of this Section III.A.

B. Timely Written Requests for Extensions. NMMC may, in advance of the due date, submit a timely written request for an extension of time to perform any act or file any notification or report required by this CCA. Notwithstanding any other provision in this Section, if OIG grants the timely written request with respect to an act, notification, or report, Stipulated Penalties for failure to perform the act or file the notification or report shall not begin to accrue until one day after NMMC fails to meet the revised deadline set by OIG. Notwithstanding any other provision in this Section, if OIG denies such a timely written request, Stipulated Penalties for failure to perform the act or file the notification or report shall not begin to accrue until three business days after NMMC receives OIG's written denial of such request or the original due date, whichever is later. A "timely written request" is defined as a request in writing received by OIG at least five business days prior to the date by which any act is due to be performed or any notification or report is due to be filed.

C. Payment of Stipulated Penalties.

1. *Demand Letter.* Upon a finding that NMMC has failed to comply with any of the obligations described in Section III.A and after determining that Stipulated Penalties are appropriate, OIG shall notify NMMC of: (a) NMMC's failure to comply; and (b) OIG's exercise of its contractual right to demand payment of the Stipulated Penalties (this notification is referred to as the "Demand Letter").

2. *Response to Demand Letter.* Within 10 days after the receipt of the Demand Letter, NMMC shall either: (a) cure the breach to OIG's satisfaction and pay the applicable Stipulated Penalties; or (b) request a hearing before an HHS administrative law judge (ALJ) to dispute OIG's determination of noncompliance, pursuant to the agreed upon provisions set

forth below in Section III.E. In the event NMMC elects to request an ALJ hearing, the Stipulated Penalties shall continue to accrue until NMMC cures, to OIG's satisfaction, the alleged breach in dispute. Failure to respond to the Demand Letter in one of these two manners within the allowed time period shall be considered a material breach of this CCA and shall be grounds for exclusion under Section III.D.

3. *Form of Payment.* Payment of the Stipulated Penalties shall be made by certified or cashier's check, payable to: "Secretary of the Department of Health and Human Services," and submitted to OIG at the address set forth in Section II.F.

4. *Independence from Material Breach Determination.* Except as set forth in Section III.D.1.c, these provisions for payment of Stipulated Penalties shall not affect or otherwise set a standard for OIG's decision that NMMC has materially breached this CCA, which decision shall be made at OIG's discretion and shall be governed by the provisions in Section III.D, below.

D. Exclusion for Material Breach of this CCA.

1. *Definition of Material Breach.* A material breach of this CCA means:

   a. a failure by NMMC to report a Reportable Event, take corrective action, and make the appropriate refunds, as required in Section II.C;

   b. a repeated or flagrant violation of the obligations under this CCA, including, but not limited to, the obligations addressed in Section III.A; or

   c. a failure to respond to a Demand Letter concerning the payment of Stipulated Penalties in accordance with Section III.C.

2. *Notice of Material Breach and Intent to Exclude.* The parties agree that a material breach of this CCA by NMMC constitutes an independent basis for NMMC's exclusion from participation in the Federal health care programs. Upon a determination by OIG that NMMC has materially breached this CCA and that exclusion is the appropriate remedy, OIG shall notify NMMC of: (a) NMMC's material breach; and (b) OIG's intent to exercise its contractual right to impose exclusion (this notification is referred to as the "Notice of Material Breach and Intent to Exclude").

3. *Opportunity to Cure.* NMMC shall have 30 days from the date of receipt of the Notice of Material Breach and Intent to Exclude to demonstrate to OIG's satisfaction that:

a. NMMC is in compliance with the requirements of the CCA cited by OIG as being the basis for the material breach;

b. the alleged material breach has been cured; or

c. the alleged material breach cannot be cured within the 30-day period, but that: (i) NMMC has begun to take action to cure the material breach; (ii) NMMC is pursuing such action with due diligence; and (iii) NMMC has provided to OIG a reasonable timetable for curing the material breach.

4. *Exclusion Letter.* If, at the conclusion of the 30-day period, NMMC fails to satisfy the requirements of Section III.D.3, OIG may exclude NMMC from participation in the Federal health care programs. OIG shall notify NMMC in writing of its determination to exclude NMMC (this letter shall be referred to as the "Exclusion Letter"). Subject to the Dispute Resolution provisions in Section III.E, below, the exclusion shall go into effect 30 days after the date of the Exclusion Letter. The exclusion shall have national effect and shall also apply to all other Federal procurement and nonprocurement programs. Reinstatement to program participation is not automatic. If, at the end of the period of exclusion, NMMC wishes to apply for reinstatement, NMMC shall submit a written request for reinstatement in accordance with the provisions at 42 C.F.R. §§ 1001.3001-.3004.

E. Dispute Resolution.

1. *Review Rights.* Upon OIG's delivery to NMMC of its Demand Letter or of its Exclusion Letter, and as an agreed-upon contractual remedy for the resolution of disputes arising under this CCA, NMMC shall be afforded certain review rights comparable to the ones that are provided in 42 U.S.C. §1320a-7(f) and 42 C.F.R. Part 1005 as if they applied to the Stipulated Penalties or exclusion sought pursuant to this CCA. Specifically, OIG's determination to demand payment of Stipulated Penalties or to seek exclusion shall be subject to review by an HHS ALJ and, in the event of an appeal, the HHS Departmental Appeals Board (DAB), in a manner consistent with the provisions in 42 C.F.R. §§ 1005.2-1005.21. Notwithstanding the language in 42 C.F.R. § 1005.2(c), the request for a hearing involving Stipulated Penalties shall be made within 10 days after receipt of the Demand Letter and the request for a hearing involving exclusion shall be made within 25 days after receipt of the Exclusion Letter.

2. *Stipulated Penalties Review.* Notwithstanding any provision of Title 42 of the United States Code or Title 42 of the Code of Federal Regulations, the

only issues in a proceeding for Stipulated Penalties under this CCA shall be: (a) whether NMMC was in full and timely compliance with the requirements of this CCA for which OIG demands payment; and (b) the period of noncompliance. NMMC shall have the burden of proving its full and timely compliance and the steps taken to cure the noncompliance, if any. OIG shall not have the right to appeal to the DAB an adverse ALJ decision related to Stipulated Penalties. If the ALJ agrees with OIG with regard to a finding of a breach of this CCA and orders NMMC to pay Stipulated Penalties, such Stipulated Penalties shall become due and payable 20 days after the ALJ issues such a decision unless NMMC requests review of the ALJ decision by the DAB. If the ALJ decision is properly appealed to the DAB and the DAB upholds the determination of OIG, the Stipulated Penalties shall become due and payable 20 days after the DAB issues its decision.

3. *Exclusion Review.* Notwithstanding any provision of Title 42 of the United States Code or Title 42 of the Code of Federal Regulations, the only issues in a proceeding for exclusion based on a material breach of this CCA shall be:

   a. whether NMMC was in material breach of this CCA;

   b. whether such breach was continuing on the date of the Exclusion Letter; and

   c. whether the alleged material breach could not have been cured within the 30-day period, but that: (i) NMMC had begun to take action to cure the material breach within that period; (ii) NMMC has pursued and is pursuing such action with due diligence; and (iii) NMMC provided to OIG within that period a reasonable timetable for curing the material breach and NMMC has followed the timetable.

For purposes of the exclusion herein, exclusion shall take effect only after an ALJ decision favorable to OIG, or, if the ALJ rules for NMMC, only after a DAB decision in favor of OIG. NMMC's election of its contractual right to appeal to the DAB shall not abrogate OIG's authority to exclude NMMC upon the issuance of an ALJ's decision in favor of OIG. If the ALJ sustains the determination of OIG and determines that exclusion is authorized, such exclusion shall take effect 20 days after the ALJ issues such a decision, notwithstanding that NMMC may request review of the ALJ decision by the DAB. If the DAB finds in favor of OIG after an ALJ decision adverse to OIG, the exclusion shall take effect 20 days after the DAB decision. NMMC shall waive its right to any notice of such an

exclusion if a decision upholding the exclusion is rendered by the ALJ or DAB. If the DAB finds in favor of NMMC, NMMC shall be reinstated effective on the date of the original exclusion.

4. *Finality of Decision.* The review by an ALJ or DAB provided for above shall not be considered to be an appeal right arising under any statutes or regulations. Consequently, the parties to this CCA agree that the DAB's decision (or the ALJ's decision if not appealed) shall be considered final for all purposes under this CCA.

IV. Effective And Binding Agreement

NMMC and OIG agree as follows:

A. This CCA shall be binding on the successors, assigns, and transferees of NMMC;

B. This CCA shall become final and binding on the date the final signature is obtained on the CCA;

C. Any modifications to this CCA shall be made with the prior written consent of the parties to this CCA; and

D. The undersigned NMMC signatories represent and warrant that they are authorized to execute this CCA. The undersigned OIG signatory represents that he is signing this CCA in his official capacity and that he is authorized to execute this CCA.

ON BEHALF OF NMMC

_____ _____

John Herr DATE
PRESIDENT AND CEO
NORTH MISSISSIPPI MEDICAL CENTER, INC.

_____ _____

BRUCE J. TOPPIN, ESQUIRE DATE
VICE PRESIDENT/GENERAL COUNSEL
NORTH MISSISSIPPI HEALTH SERVICES, INC.

ON BEHALF OF THE OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

_____ 12/30/09

LEWIS MORRIS DATE
Chief Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human Services

ON BEHALF OF NMMC

John Heer
PRESIDENT AND CEO
NORTH MISSISSIPPI MEDICAL CENTER, INC.

DATE 12/10/04

BRUCE J. TOPPIN, ESQUIRE
VICE PRESIDENT/GENERAL COUNSEL
NORTH MISSISSIPPI HEALTH SERVICES, INC.

12/10/04
DATE

ON BEHALF OF THE OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

LARRY J. GOLDBERG
Assistant Inspector General for Legal Affairs
Office of Inspector General
United States Department of Health and Human Services

DATE

Appendix A

DECLARATION

The declarant is currently the Interim President and Chief Executive Officer for NMMC and has personal knowledge of the facts stated herein. The following describes the compliance program currently in place at NMMC.

1. NMMC has in place a Compliance Program (Program), including a Compliance Officer and a Compliance Committee made up of members of senior management necessary to support the Compliance Officer in fulfilling his/her responsibilities under the Program (e.g., senior executives of relevant departments, such as billing, clinical, human resources, audit, operations, and medical staff). The annual budget for the Program is attached hereto as Exhibit 1 and NMMC shall sustain the levels of funding reflected therein for three years subsequent to the Effective Date.

2. NMMC has in place a Code of Conduct that includes: (a) NMMC's commitment to full compliance with all Federal health care program requirements, including its commitment to prepare and submit accurate claims consistent with such requirements; (b) NMMC's requirement that all of its personnel are expected to comply with all Federal health care program requirements and with the Policies and Procedures described in Paragraph 3 below; and (c) the right of NMMC's personnel to use the Disclosure Program described in Paragraph 6 below and NMMC's commitment to non-retaliation and to maintain, as appropriate, confidentiality and anonymity with respect to such disclosures. Each officer, director, and employee, as well as any contractors, subcontractors, agents, and other persons who provide patient care items or services or who perform billing or coding functions on behalf of NMMC is required to annually certify in writing that he or she has received, read, understood, and will abide by the Code of Conduct.

3. NMMC has in place Policies and Procedures regarding the operation of the Program and NMMC's compliance with Federal health care program requirements. The Policies and Procedures are made available to all relevant NMMC personnel.

4. NMMC has in place an annual training program that requires all officers, directors, employees, contractors, subcontractors, agents, and other persons who provide patient care items or services or who perform billing or coding functions on behalf of NMMC to attend at least one hour of annual compliance training that addresses NMMC's Code of Conduct and the operation of the Program. NMMC's annual training program also requires additional hours of training for all employees, contractors, subcontractors, agents, and other persons who provide patient care items or services or who perform billing, coding, or claims submission functions on behalf of NMMC. Such additional training addresses: (a) the Federal health care program requirements regarding the accurate coding and submission of claims; (b) policies, procedures, and other requirements applicable to the documentation of medical records; and (c) applicable reimbursement statutes, regulations, and program requirements and directives. NMMC maintains written or electronic records that identify the type of annual training provided, the date(s) of the training, and the attendees.

5. NMMC has in place an internal audit department that performs periodic reviews to monitor NMMC's compliance with Federal health care program requirements, including focused reviews relating to specific risk areas identified by OIG and/or through the Program. NMMC has seven full-time qualified employees in its internal audit department who are assigned to review NMMC's compliance with Federal health care program requirements.

6. NMMC maintains a Disclosure Program that includes a mechanism to enable individuals to disclose, to the Compliance Officer or some other person who is not in the disclosing individual's chain of command, any identified issues or questions associated with NMMC's policies, conduct, practices, or procedures with respect to a Federal health care program believed by the individual to be a potential violation of criminal, civil, or administrative law. NMMC publicizes the existence of the disclosure mechanism to all personnel.

The Disclosure Program emphasizes a nonretribution, nonretaliation policy and includes a reporting mechanism for anonymous communications for which appropriate confidentiality is maintained. Each disclosure is reviewed by the Compliance Officer, who either investigates the disclosure or refers the disclosure to the relevant department or manager for follow up and any appropriate corrective action.

The Compliance Officer (or designee) maintains a disclosure log, which includes a record and summary of each disclosure received (whether anonymous or not), the status of NMMC's internal review of the allegations, and any corrective action taken in response to the internal review.

7. NMMC has in place a policy and procedure for screening all prospective owners, officers, directors, employees, contractors, agents, and medical staff to ensure that they are not excluded from Medicare, Medicaid, or other Federal health care programs by: (a) requiring such persons to disclose whether they are excluded; and (b) appropriately querying the General Services Administration's List of Parties Excluded from Federal Programs (available through the Internet at http://epls.arnet.gov) and the HHS/OIG List of Excluded Individuals/Entities (available through the Internet at http://oig.hhs.gov) (these lists shall hereinafter be referred to as the "Exclusion Lists"). NMMC also performs annual screening of its current owners, officers, directors, employees,contractors, agents, and medical staff against the Exclusion Lists and requires all owners, officers, directors, employees,contractors, agents, and medical staff to disclose immediately any exclusion from Medicare, Medicaid, or other Federal health care programs.

NMMC also has a policy in place that, if NMMC has actual notice that an owner, officer, director, employee, contractor, agent, or medical staff member has become an excluded individual, NMMC will remove such person from responsibility for, or involvement with, NMMC's business operations related to the Federal health care programs and will remove such person from any position for which the person's compensation or items or services furnished, ordered, or prescribed by the person are paid in whole or in part, directly or indirectly, by Federal health care programs or otherwise with Federal funds, at least until such time as the person is reinstated into participation in the Federal health care programs. (Nothing in this Declaration affects the responsibility of NMMC to refrain from billing Federal health care programs for

items or services furnished, ordered, or prescribed by excluded individuals or NMMC's liability for any overpayments received by NMMC as a result of billing any Federal health care program for such items or services.)

The undersigned signatory represents and warrants that he/she is authorized to execute this declaration on behalf of NMMC.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 10th day of December 2004.

John Heer

John Heer
President and CEO

OVERPAYMENT REFUND

TO BE COMPLETED BY MEDICARE CONTRACTOR

Date:_____
Contractor Deposit Control #_____ Date of Deposit: _____
Contractor Contact Name:_____ Phone #_____
Contractor Address:_____
Contractor Fax:

TO BE COMPLETED BY PROVIDER/PHYSICIAN/SUPPLIER

Please complete and forward to Medicare Contractor. This form, or a similar document containing the following information, should accompany every voluntary refund so that receipt of check is properly recorded and applied.

PROVIDER/PHYSICIAN/SUPPLIERNAME_____
ADDRESS
PROVIDER/PHYSICIAN/SUPPLIER #_____CHECK NUMBER#_____
CONTACT PERSON:_____PHONE #_____ AMOUNT OF CHECK
$_____ CHECK DATE_____

REFUND INFORMATION

For each Claim, provide the following:
Patient Name_____HIC #_____
Medicare Claim Number_____Claim Amount Refunded $_____
Reason Code for Claim Adjustment:_____ (Select reason code from list below. Use one reason per claim)

(Please list all claim numbers involved. Attach separate sheet, if necessary)

*Note: If Specific Patient/HIC/Claim #/Claim Amount data not available for all claims due to Statistical Sampling, please indicate methodology and formula used to determine amount and reason for overpayment:*_____

For Institutional Facilities Only:
Cost Report Year(s) _____
(If multiple cost report years are involved, provide a breakdown by amount and corresponding cost report year.)
For OIG Reporting Requirements:
Do you have a Corporate Integrity Agreement with OIG? Yes No

Reason Codes:

Billing/Clerical Error	MSP/Other Payer Involvement	Miscellaneous
01 - Corrected Date of Service	08 - MSP Group Health Plan Insurance	13 - Insufficient Documentation
02 - Duplicate	09 - MSP No Fault Insurance	14 - Patient Enrolled in an HMO
03 - Corrected CPT Code	10 - MSP Liability Insurance	15 - Services Not Rendered
04 - Not Our Patient(s)	11 - MSP, Workers Comp.(Including Black Lung	16 - Medical Necessity
05 - Modifier Added/Removed	12 - Veterans Administration	17 - Other (Please Specify)
06 - Billed in Error		_____
07 - Corrected CPT Code		